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Counsel for the Debtor and Debtor-in-Possession

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

HIGHLAND CAPITAL MANAGEMENT, L.P.,¹

Debtor.

HIGHLAND CAPITAL MANAGEMENT, L.P.,

Plaintiff,

vs.

HIGHLAND CAPITAL MANAGEMENT FUND
ADVISORS, L.P., NEXPOINT ADVISORS, L.P.,
HIGHLAND INCOME FUND, NEXPOINT
STRATEGIC OPPORTUNITIES FUND,
NEXPOINT CAPITAL, INC., AND CLO

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§ Chapter 11

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§ Case No. 19-34054-sgj11

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§ Adversary Proceeding No.

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§ 21-03000-sgj

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¹ The Debtor's last four digits of its taxpayer identification number are (6725). The headquarters and service address for the above-captioned Debtor is 300 Crescent Court, Suite 700, Dallas, TX 75201.

HOLDCO, LTD.,

Defendants.

NOTICE OF SETTLEMENT

PLEASE TAKE NOTICE that, on January 25, 2021, Highland Capital Management, L.P. (the “Debtor”) and CLO Holdco, Ltd. (“CLO Holdco” and together with the Debtor, the “Parties”), executed a *Settlement Agreement* (the “Agreement”), a true and correct copy of which is attached hereto as **Exhibit A**. Pursuant to the terms of the Agreement, the parties agreed, among other things, that (a) the Debtor shall dismiss with prejudice the claims asserted against CLO Holdco in Adversary Proceeding No. 21-03000-sgj, and (b) CLO Holdco’s objections to the confirmation of the Debtor’s *Fifth Amended Plan of Reorganization of Highland Capital Management, L.P.* [Docket No. 1472] is resolved by the Agreement.

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Dated: January 26, 2021.

PACHULSKI STANG ZIEHL & JONES LLP KANE RUSSELL COLEMAN LOGAN PC

/s/ Gregory V. Demo

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-and-

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